SYNOPSIS

A Study of Consumer Behaviour towards Pre-owned Cars

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Introduction

Consumers in the present scenario are influenced by several factors to make purchases decisions. Similarly all the marketing and advertisement related activities of organizations are aimed to influence more and more consumers to increases their sales, hence to increase market share vis-a- vis their profitability. In the present scenario of globalization and intensified competition consumers are the topmost priority of every organization. They play a significant role in formulating and designing strategies related to product introduction and development. Marketing professionals are highly concerned to find out the behaviour a pattern of the people. It enable them to understand consumers in a better way hence offer a product or services exactly the customers are expecting. The study of consumer behaviour seeks to find answers to questions like : why customer buy a product, what makes a customer to buy a product of an organization again and again ?

"Consumer behaviour is the study of the processes involved when individuals or groups select, purchase, use or dispose products, services, ideas or experiences to satisfy need and desires**"(Salomon, Bamossyet al.2006)** [1]**.**

Schiffman [2] takes a similar approach in defining consumer behaviour. "The consumer behaviour that consumer display in searching for purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs"

Based upon above definitions it can be concluded that consumer behaviour is mainly comprised of four activities namely: searching, obtaining, consuming, and disposing.

Searching implies to the process of finding out and short listing products or services that satisfy needs and wants of customers. This activity also involves obtaining of extensive information about similar products to evaluate price and features before making the purchase decision. Obtaining activity is aimed towards the purchases of product after finding out the information regarding features of product.

[1] Solomon, Bamossy, G., Askeergard, S. and Hogg, M.K.(2006) Consumer Behaviour: A European perspective. 3rd ed. Harlow: Prentice Hall, 457.
[2] Schiffman, L.G. and Kanuk, L. L. (2007) Consumer Behaviour .9th ed. New Jersey: Prentice Hall, 9-13,173,358-366.

Consuming refer to how, where, when, and under what, circumstances consumer use the product. Such as using a washing machine at home after reading all the instructions mentioned in the related book. Disposing mean way by which consumer get rid of the product or its packaging.

Factors influencing consumer behaviour

There are certain factors that affect consumer buying behaviour directly or indirectly. These factors are commonly referred as cultural, social, personal and psychological factors.

Cultural factor

Cultural factor is way of living that differentiates people in one society from others. It is the significance determinant of needs, wants and behaviour of people in particular society. These factors are further classified as cultural, sub culture and social factors.

- Culture: Culture determines behaviour, hence need and wants of consumers.
- Sub-culture: It is the small unit of culture that provide unique identification to particular group of society. Sub cultural is comprised or nationality, religion, caste etc.
- Social class: Involves ranking of the people on the basic of income, education, occupation, etc in society.

Social factor

Social factor also influence decision making process of consumer as it involve there interaction with other members in the society. These factors are further classified as below.

- Reference groups: It include all the members of society to whom a customer interact before making purchases decision. Theses group have direct and indirect influence on decision making of customer.
- Family member: Family member make significant role in affecting behaviour of the consumer as customer always seek the consideration of family members before making major purchases decision.
- Role and status: What is the job, designations or status of an individual in society? A product like car is often associated with this factor.

Personal factor

These factors are internal factor in decision making process of customers. These factors vary from person to person. Further depends upon sub factors like:

- Gender: Physiological differences between man and women to live create a different set of needs and wants towards product and service they consume.
- Age: Age determine type of products or services customer may be interesting in purchasing it product, like food, cloth, cycle, car. etc.
- Family life cycle: Mean number ages and gender of family member in a house.
- Occupation: Occupation refers to the job role that customer perform in the society. The occupation largely influences consumption Patten of consumer. The companies seek to identify occupational groups having above average interest in their product or and services.
- Economic circumstances: These circumstances arise from government policies like (GST), FDI, relationship with other countries from monetary policy etc.

Psychological factor

These are the internal factors determining personality & behaviour of consumer. Further classified as perception, motivation, learning and attitude.

- Perception: It is the way customer perceive information and interpret them. This aspect of consumer behaviour enable firms to design their product set its price, mode of advertisement etc.
- Motivation: Is basic instinct to purchases a particular product or services for the reason that justify needs and wants of consumer. e.g. Parker Pen
- Learning: It involve seeking of knowledge about features of a product through advertisement, news channel documentary etc. consumer behaviour significantly impacted by learning as they come to know about the associated benefits of a product.
- Beliefs and attitude: It determines the way a customer behaves in a particular situation. It helps the organization to understand consumers and ways to handle them as per situation.

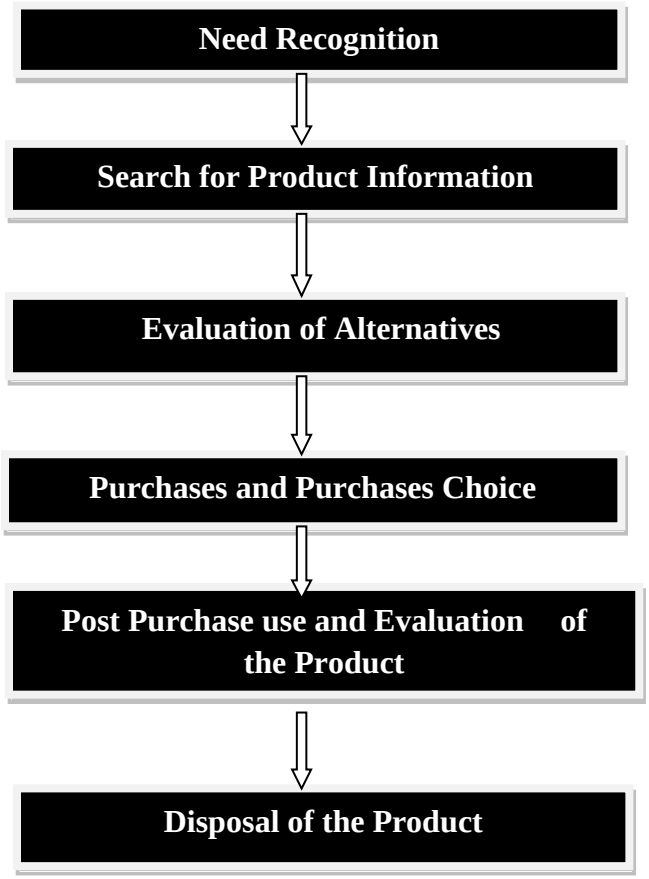
Approaches of Consumer Behaviour

There are several approaches being used by researchers and organizations to understand behaviour and decision making process of consumer. Broadly, there are five approaches being used to study different aspects of consumer behaviour. These are broadly known as, behaviourist, psychodynamic, economic man, cognitive, humanistic approach.

Decision Making Process of Consumer

For most of the times consumers have to make choices among different alternatives available to choose a product or service. Hence a systemic pattern of making a choice of a product or service has been developed. Known as decision making process of consumer. It is comprised of following stages.

Fig.1.1:-Consumer Buying Behaviour Process


Need Recognition
Search for Product Information
Evaluation of Alternatives
Purchases and Purchases Choice
Post Purchase use and Evaluation of the Product
Disposal of the Product

Source:-Empirical test of Howard Sheth model –Journal of research 1970, p428.

Indian Automobile Industry an Overview

The Indian automobile industry is one of the largest industry in the world. As of the history of cars in India is concerned, the first car was rolled out in the roads of Mumbai in 1898. Since then automobile industry of India has come a long way. The industry has witnessed many ups and downs thorough its journey. For some time it was overlooked by the unfavorable government policies. Currently, the Indian auto mobile industry is the 4th largest car market in the world and sale have increased by 9.5% per year in last five years, leaving behind the countries like: Canada, united Kingdome, Brazil, Russia, Belgium, Italy, Mexico in terms of growth. The liberalization, privatization and globalization adopted by the government in 1991, has proved a blessing for this industry. This policy created a favourable environment for the industry and has witnessed a significant growth. The industrial revolution has witnessed 100% foreign direct investment in India and automobile sector become largest growing sector in the country. Presently almost each automobile company has manufacturing plant in India and is producing world class cars to their customers. The companies like: Toyota, Hyundai, Maruti Suzuki, Tata Motors, Mahindra & Mahindra, Honda, Volks-Wagon and many other companies are selling their cars through dealership mode.

SWOT Analysis of India Automobile

SWOT analysis, evolved during 1960 at Stanford research institute. The organizations perform a SWOT analysis to understand their internal and external environment. SWOT is the acronym for strength, weaknesses, opportunities, and threats. It is also known as wots-up or tows analysis. In this analysis strength and weaknesses existing within an organization can be evaluated as wells as opportunities and threats operating in the environment are analysis to formulate effective strategy. For better analysis of automobile industry, a SWOT analysis has been carried out as below.

Strengths

- Technological upgradation and skilled laborers enabling automobile companies to keep price constant year after year, despite increases in price of raw material.
- Globalization and transfer to knowledge have enabled organizations to produce world class cars, with strong engineering skills and safety feature and many more.

- Variety in terms of car types: Hatchback, Sedan, SUV, MPV etc. serving needs of each and every segment of society.
- Research and devolvement enabling companies to produce better cars with advanced features better mileage etc.

Weaknesses

- High cost of production and expensive supply chain management system.
- Low worker commitment in franchise business model.
- Frequent upgradation in technology and features.
- Unpredictable consumer behaviour.

Opportunities

- Decrease in fuel price in international market.
- Introduction & new technology, new car in the market.
- Increases per capital income with highest number of youths.
- Growing market for used cars, attracting customer become of their low price.

Threats

- Introduction & new technology like electric cars, hybrid cars, hydrogen car etc.
- Tax rates and govt. polices like switching to euro vi from euro iv, rate of foreign direct
- Investment (FDI) decided by the government from time to time.
- Day by day change in the trend.
- Competition from automobile companies in India as well as in other countries.
- Increase in expectations of customers and their consumer preferences of latest model or technology.

An Analysis of Automobile Production Trends in India

Table I: Automobile production trend in terms of vehicles in different categories

Category	2014-2015	2015-2016	% Change	2016-2017	% Change	2017-2018	% Change	2018-19	% Change
Passenger vehicles	3221419	3465045	7.56	3801670	9.71	4010373	5.5	3377436	-15.8
Commercial vehicles	698298	786692	12.66	810253	2.99	894551	10.4	1007319	12.6
Three wheelers	949019	934104	-1.57	783721	-16.1	1021911	30.4	701011	-31.4
Two wheelers	18489311	18830227	1.84	19933739	5.9	23147057	16	21181390	-8.49

Source: http://www.siamindia.com/statistics.aspx?mpgid=8&pgidtrail=13 accessed on July 18, 2019.

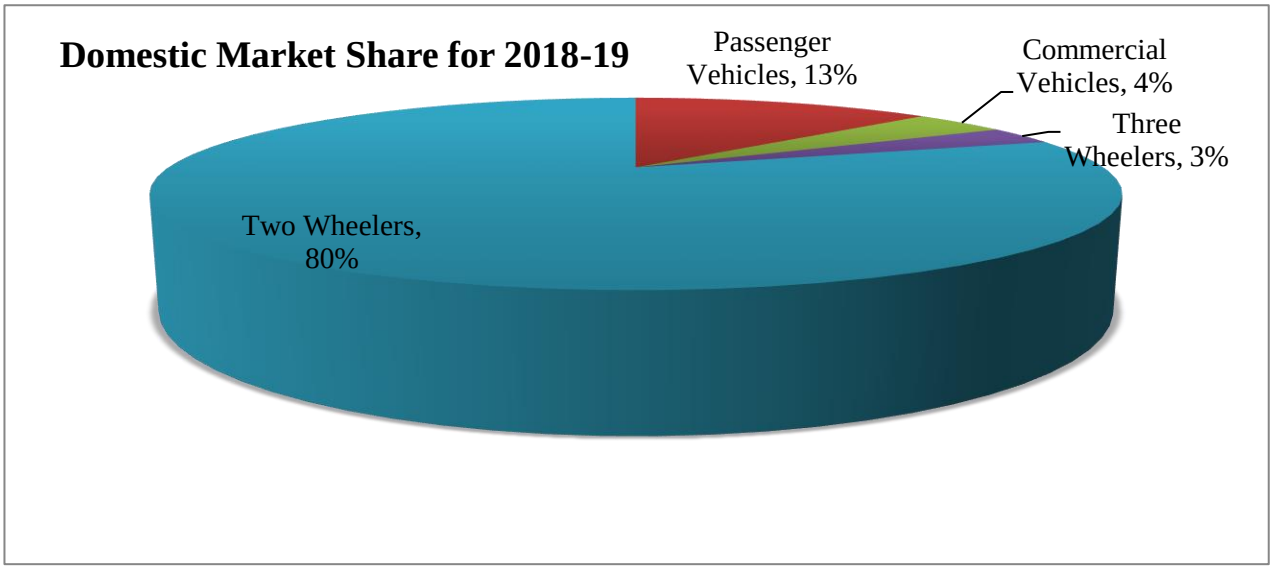
Passenger Vehicle Market Share

Table 2: An analysis of YOY growth of market share of major automobile companies

Company name	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Maruti Suzuki	46%	47.38%	47.38%	50%	51.0%
Hyundai	15%	16.72%	16.38%	16%	16.2%
Mahindra &Mahindra	8%	7.75%	7.75%	7.57%	7.3%
Tata Motor	8%	6.88%	5.66%	6.29%	5.2%
Honda	6%	5.66%	3.16%	5.17%	7.0%
Toyota	5%	4.7%	4.71%	4.28%	4.5%

Source: https://auto.economictimes.indiatimes.com/news/passenger-vehicle/cars/passenger-vehicle-manufacturers-report-card-market-share-analysis/58610826 accessed July 18, 2019.

Figure I: Domestic Market Share for 2018-2019 Indian Automobile Industry



Source: http://www.siamindia.com/statistics.aspx?mpgid=8&pgidtrail=12, accessed on July 18, 2019

Classification of Cars offered by auto mobile companies

Table. 3: Segmentation of cars offered by different automobile companies

Hatchback	Maruti Suzuki	Alto 800, Alto k10, Swift, Wagoner, Celerio, Ignis etc.
	Hyundai	Eon, Sentro, Grand i10, I20 ,
	Tata Motor	Tata Tiago, Tata Nano, Tata Bolt,
	Mahindra &Mahindra	E2oplus
	Toyota	Etios Liva, Etios Cross,
	Honda	Brio, Jazz,
Sedan	Maruti Suzuki	Dzire, Ciaz,
	Hyundai	Verna, Xcent, Elantra,
	Tata motors	Tata Tigor, Tata Zest, Tata Tigor,
	Mahindra & Mahindra	Verito,
	Toyota	Platinum Etios, Toyota Yaris, Corolla, etc
	Honda	Amaze, Honda City, Honda civic etc.
Sports utility vehicle (SUV)	Hyundai	Creta, Venue, Tucson,
	Tata motor	Tata Nexon, Tata Hexa, Tata Safari Storme, Tata Harrier
	Mahindra & Mahindra	Xuv 300, Xuv 500, TUV 300, Scorpio,
	Toyota	Fortuner, Land Cruiser,
Multi Purpose vehicle (MPV)	Maruti Suzuki	Omni, Eeco, Ertiga,
	Honda	Brv,
	Mahindra & Mahindra	Xylo, Marazzo,

Source: https://www.cartrade.com/new-cars/hatchback-cars. July 24, 2019.

Factor affecting purchase of used cars

Sale and purchase of used car is becoming a growing industry in India as many of customer prefer to change their car after few year vis a vis many of them are looking for better car at cheaper price. The industry of used cars has witnessed a significant growth due to factors like easy availability variety, lesser price of used cars. Following factor are taken in to consideration while buying a used car.

Appearance: Appearance is the important part of pre owned cars. A car in better condition, without dents and properly maintained cars are preferred by customer. Also regular service of car parts like: oil change, battery life and good tyres condition, is expected by customer while buying.

Odometer reading: The odometer reading always affect the car price towards purchase of used cars. A car with higher odometer reading will be sold at lower price and vice versa.

Brand and model: While purchasing used cars, customers are also concerned about the brand and model of the car. The cars of companies like : Maruti and Hyundai are generally purchased at higher rate, than cars of other brands like : Tata, Honda, Mahindra. The factors like: resale value of the car, easy availability of mechanics and low maintenance cost are responsible for the higher cost of brands like Maruti and Hyundai.

Ownership: The ownership is effect the purchase pre owned cars. Used cars having first owners are generally sold at higher price than cars with second or third ownership.

Sale channel: Pre owned cars are available at authorized as well as unauthorized dealers. Authorized dealers like: True Value of Maruti Suzuki, First Choice of Mahindra, U Trust of Hyundai etc. offer better inspection, insurance, maintenance etc. for used car buyers. While unauthorized dealers do not offer any of such promotional schemes. A customer looking for assurance, proper documentation etc. prefer authorized dealers for the purchase of used cars.

Age of car: Means the year in which car was manufactured by the car company. Older the car, lesser is the expected value of car and vice versa.

Why customer purchase the second hand car

The decision regarding the purchase of a car is one of the crucial factor for a customer. Car is generally associated with status symbol, comfort and mode of transportation for a customer. The decision regarding the purchase of a brand new car or used car is highly controversial for the customer before buying a car. The present research will be focused to find out the situations and factors under which a customer rather prefer to buy a used car than a brand new car. Some of the factors that influence a customer to purchase a used car are as below.

Save money: used cars are generally available at half or less than half of the price of a brand new car. Hence the price associated with the purchase of a used car acts as a most detrimental and influencing factor for a customer to purchase used car.

Affordability: Lower price of used cars make them affordable to every section of society. Even people with comparatively lower income and lower investment capacity can afford a used car, making it accessible for them.

Drive tension free: The used car customer drive their cars without tension, jitters or getting dent, and scratch. Since the car is older and repairing cost of car is comparatively low. Attracting customers to opt for a used car rather than a brand new car.

Slower depreciation: Every pre owned car depreciate at a slower rate, in comparison to brad new car.

Low Insurance cost: Insurance of used car generally cost less than the new car. The pre owner car already covered under insurance for a considerable time period of five months to one year, moreover the insurance premium of a used car will be quite less then the insurance premium of a brand new car.

Purpose of learning: Mostly people go for the pre owned vehicles as they or their family member want to learn how to drive the vehicle. Once they feel that they have got enough experience of driving then they move to new or sometimes they keep the same. The thing is that they think if they would learn driving on pre- owned cars it wouldn't affect on their pocket much as repairing cost would be less or else they would sell it later.

Reducing the registration fees: In most of the states registration charges are very high. To avoiding high registration charges people choice shifted towards pre owned cars. For example: Punjab registration charge is 9.50%, Delhi charge is 9%, Rajasthan charge is 11%.(Source: www.mycarhelpline.com/ July24, 2019).

Reviews of Literature

The literature review is a foreground, explanation and justification for research to be carried out. It helps in identification of research gaps, putting together of research, framing of research concern and hypothesis, selection of appropriate research methodology and ultimately in establishing of direction for research to be carried out in future. Reveals the findings of studies related to particular concern and the main purpose of reviewing literature is to look carefully at different aspect of concerned studies. The present study focuses on analysis of consumer behaviour towards the purchase of Pre-Owned cars and second hand cars in Himachal Pradesh. These factors are supposed to play a detrimental role towards the purchase of hatch back cars in market. The related literature has been reviewed to achieve objectives of the study. The review has been completed by reviewing journal, articles, text books, websites, annual reports etc.

Monga N., Chaudhary B., Tripathi S. (2012)[3] Found that car sale is increased with great peace due to rise in disposal income and easy finance availability in India. Global player have shown keen interest in Indian market and competition is becoming higher and higher. Car manufacturer have to focus properly on customer perception and their satisfaction. This study reveled that customer relationship management and personal connection are very helpful for car companies. Further, they found that brand perception in auto sector is mainly depend upon quality of services provided, price, availability of spare parts and maintenance cost. They also concluded that car dealers act as a link between manufacturers and customers and have crucial role in brand.

[3] Nikhal M. Bhuvenender C. and Saurabh M. (2012) " Car Market and Buying Behaviour- A Study of Consumer Perception" Journal of Research in Management Education and Commerce, Vol. 2(2), pp:42-63.

Raj M., Sasikumar J., and Sriram S. (2013) [4] identified six main factors named as product reliability, monetary factor, trendy appeal, frequency of non-price promotions, trustworthiness and customer feeling or association towards brand, that influencing customers brand preferences towards SUV and MUV.

Poornima and Rita. (2013) [5] revealed that automobile industry is one of the fastest growing industries in the world and in last few years many foreign companies had launched their products in Indian market. The growth of Indian automobile sector is mainly due to rise income of middle class, easy availability of finance, improvement in basic infrastructure, rising family income, favourable duty structure, poor public transport, low car penetration, exchange of cars, and changing lifestyle etc. They have also found that buying behaviour of car buyers has undergone significant changes and purchase luxury cars acts as status symbol, social recognition and independence level.

Sravan D. K. S., Sarakamu V., and Rao P. (2014) [6] Changing customer perception has made Indian automobile sector as one of the most growing sector in four wheeler industry. They have studied buying behaviour of customer while purchasing SUVs and found that customers influenced by 17 main factors that include brand image, price, fuel efficiency, performance, comfort, after sales service, ease of maintenance, safety of passengers etc. It was further found that all these factors are very important to ensure customer satisfaction in auto mobile sector.

Saxena A. (2014)[7] used Engel-Coleman-Blackwell model to determine consumer preferences and stated that when customer made final purchase decisions, their preferences combine with budget available. Present consumers have very complex nature and cannot be classified by conventional demographic factors. It is important to understand their thought process, buying

[4] M Parasanna R. Jishnu S and S. (2013) "A study on customers Brand Preference in SUV and MUV: Effect of Market Mix Variables" Journal of Arts and Science & Commerce, vol. 4 (1) pp: 48-58.

[5] Poornima T., Rita D. (2013) "A Study of Consumer Preferences for Buying Passenger Cars" International Journal of Marketing and Technology, Vol.3 (3), PP:138-154.

[6] Darla S, Sampathrushi K, Vijay K S, Purba H. R, (2014) "Analysing Consumer Purchase Decision in Indian SUV Market –Special Focus on Success of Brand X Success" International journal of Business Analytics and Intelligence, Vol.2.

[7] Aman S. (2014) " Consumer Preference and Automobile Market in India" International Journal of Interdisciplinary and Multidisciplinary Studies (IJINS), Vol. 1, pp:21-33.

preferences , and decision making process. The change in income patterns and hike in petrol price are the main drivers of increased demand of small cars in Indian market. It was also suggested that advertisement is very effective tool for creating awareness & promoting product consumption and have influence on consumer preference.

Shende V. (2014) [8] elucidated that Consumer behavior consists of all human behavior involved in pre and post purchase decisions and proper understanding of complex consumer behaviour make a company successful in the market. This study explains the determinant of consumer behaviour and expectations and are as socioeconomic, psychological, political, geographical, demographic and Product & Technology. It was also found that customers who prefer purchase mini segment car are highly cost conscious but the main focus of mid segment customer is for safety, driving & seating comfort, brand.

Biswas A., Mukherjee A., and Roy M. (2014) [9] Changing customer perception has made Indian automobile sector as one of the most growing sector in four wheeler industry. They have studied buying behaviour of customer while purchasing SUVs and found that customers influenced by 17 main factors that include brand image, price, fuel efficiency, performance, comfort, after sales service, ease of maintenance, safety of passengers etc. It was further found that all these factors are very important to ensure customer satisfaction in auto mobile sector.

Srivastava A., and Matta M. (2014) [10] explores the consumers' behaviour towards passenger cars in Delhi NCR and tried to identify different sources of information and their role in car purchase. They found that various factor such as culture, family, reference, age and life style influence car purchase decisions. This study also revealed price and social status as most important factors that influence car buyers.

[8] Shende V. (2014) " Analysis of Research In Consumer Behaviour of Automobile Passenger Car customer" International Journal of Scientific And Research Publications , Vol.4,Issue 2, ISSN , 2250-3153.

[9] Aindrila B, Angshu M, and Mousumi R. (2014) " Leveraging Factor for Consumers Car Purchase Decisions –an Emerging Economic" Journal of Management Policies and Practices, Vol.2(2),PP: 99-111.

[10] Arpita S, and Mitu M. (2014) " Consumer Behaviour Towards Passengers Cars-A Study of Delhi NCR" Global journal of Finance and Management, ISSN A0975-6477, Vol.6(6), PP:589-598.

Markan R. (2015) [11] stated that at present cars not only a medium of transport but also acts as status symbol in the society. It was found that there exist relationship between income and size of car that customer prefers to buy. It was also found that income and type of car also associated with each other.

Biradar S. and Kulkarni S. (2015) [12] The growth in number of middle class families and increase in income level have made India, one of the most potential market for pre-owned cars. Many Indian & global car manufacturer and other business houses have shown interest to transforming Indian pre-owned car market to organized sector. The growth of pre-owned car market is very high and unorganized car dealers are trying to meet the standards and professional approach of organized players in the sector. The used car market is becoming profitable and well as tool for market penetration for car companies.

Cheng W. (2015) [13] analyzed social factors, marketing factors and consumer factors and their affect on buying behavior of second hand car buyers. They further analyzed five factors named as the problem recognition, information search, solution evaluation and selection, purchase decision implementation, and post-purchase behavior influence decision making model for second-hand car consumers.

Patial D.Y. (2015) [14] found that car purchase is mainly influenced by brand, latest technology and safety features and while economic consideration and fuel efficiency least affect them.

Hung N. J, and Yazdanifard R. (2015) [15] conducted study in Malaysia and found that passenger safety is major concern among cars buyers and they give high importance to safety features while buy cars.

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[11] Rohit M. (2015) "Perception of Indians Regarding Comforts Level in Different CAR –Sizes" International Journal of Trend in Research and Development, Vol.2(5), ISSN:2394-9333, PP:66-73.

[12] Sharanagond B. & Sunil K. (2015) "Pre-owned Car Market in India: An Overview" International Journal of Multidisciplinary Research and Development, Vol.2, Issue: 7, 567-574.

[13] Wenming C.(2015) " Research On The Decision Making Model Of Purchasing Second Hand Car" 3rd International Conference On Management, Education, Information and control, PP: 1288-1299.

[14] D Y P. (2015) " Buying Behaviour Of Luxury Car Owners in Western Maharashtra" International journal of management (IJM), Vol.6(2), PP: 50-60.

Koch C. and Mkhitaryan D. (2015) [16] revealed that Consumer satisfaction and brand trust both have significant positive impact on consumer loyalty. It was also found that consumer loyalty towards luxury cars is mostly influenced by consumer satisfaction.

Doshi V. and Parmar C. (2016) [17] The car purchase decisions influenced by various factor like age, income, qualification, brand preference, model and family suggestion, Therefore, auto companies should put efforts to understand consumer behaviour and their perception properly. Further, it was found that consumer also influenced by mileage, interior & exterior, availability and ease in payment of loans, and taxes on car etc.

Shanker S. (2016) [18] found that customer perception towards organized car market is to have clear title, professional Assistance, Easy financing, after sale services, Fair Price and Free service while purchasing the used cars was significant. He added to it that perception towards Un-organized market is to have clear title, Mutual trust And Resale Value while purchasing the used cars was significant. Further, customers' perception towards upgrading driving skills, desire to own car, Budget constraint and separate car while purchasing the used cars was significant.

Rajireddy K. and Ravinder D. (2016) [19] examined the brand preferences of the consumers towards the passenger cars. They tried to study the effect of demographic and behaviour patterns on brand preference of car buyers. They found that price is most important factor that affects car

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[15] Ng J. H.and Rashad Y. (2015) " The Study of Vehicle Safety Aspect Influencing Malaysian Urban Consumer Car Purchases Behaviour" International Journal of Management ,Accounting and Economics, Vol.2(8), PP: 913-924.

[16] Camilo K. and Davit M. (2015) " Consumer's Brand Choice Behaviour for luxury Cars in China" International Journal of Management Science and Business Administration, Vol. 1, No.12,PP:46-57.

[17] Vishal D, and Chetna P.(2016) " A Study on Research Articles on Hatchback Cars: customer Perception and Buying Behaviour" Proceedings of RK University First International Conference on Research & Entrepreneurship (ICRE), PP:1-6.

[18] Shiva S. (2016) " A Study On Consumer Behaviour Toward Pre-Owned Car In India" Paripex- India Journal Of Research, Vol.5 Issue:11, ISSN 2250-1991.

[19] K R. and D R. (2016) "Consumer Behaviour Towards Brand Preference of Passenger Cars in Karimnager District" International Journal & Magazine of Engineering Technology, Management and Research. ISSN No: 2348-4845, Vol. 3, Issue No: 3, pp: 496-500.

purchase decision and automobile sector is highly influenced by globalization. It was also found that maximum consumer of car belongs to age group 35-45 years.

Sakthivel G. and Kumar S. (2017) [20] observed that auto mobile has become the most most lucrative industry in present scenario. They identifying that the increment in cash flow in country leads to high sale volume in auto sector.

Dangi A. (2017)[21] explained that advertisement is main source of information for car buyers. It was also found that safety is most important factor followed by driving comfort, maintenance cost and brand image. In this study, factors such as price and latest technology least affect the purchase decision of car buyers.

Sahu R. (2017) [22] discussed about the different factors which influence the customers' preference to purchase the cars. He has discussed about the factors like self esteem, performance, publicity in this regard. He has found self esteem one of the major influencing factors among customers while purchasing the car.

Patil S. (2017) [23] narrated that currently manufacturers have focused properly on building and maintaining total relationship management and attempting to connect with present and potential customers. It was found from customer point of view, brand image and brand personality complement each other and the brand perception helps in brand image building. There seems to be no major difference among the car brands in a segment as far as performance is concerned. They concluded that dealers and services provided by them have very important role in brand creation and customer satisfaction.

[20] G S, and Senthil K.(2017) " Research analysis in Consumer Behaviour of Automobile Passenger Car Customer in Coimbatore" International Journal of Marketing & Financial Management , Vol.5, Issue 1, PP:28-36.

[21] Amit D. (2017) " Exploring Determinants Affecting Purchase Behaviour: Opinion of Passenger Car Users" IOSR Journal of Business and Management (IOSR-JBM), Vol. 19,Issue 9.pp: 1-8.

[22] Rumit S (2017) " A Study on Factor Influencing Customer Preference for Purchasing a Car with Respect to Maruti Suzuki in Bhilai –Durg India" Research Journal of Management Sciences. Vol. 6(7), PP: 5-8.

[23] Sudhir P. (2017) "A Study on Perception of Rural People Towards SUV Cars" Paripex-Indian Journal of Research. ISSN-2250-1991, Vol.6, Issue .4.pp: 664-665.

Mathur M. et.al (2018)) [24] concluded that the buying behavior of car customers is influenced by type and brand image of the cars and manufacturing companies. It was also concluded that Potential car buyers are influenced by technical specifications like engine type and efficiency and advertisement having detailed features of the cars.

Subramanian M, and Muthu V. (2018) [25] explained that Sports utility vehicles (SUVs) are the most growing segment in auto sector. The main reasons for popularity of SUVs in the Indian market are rugged and sporty look, seating capacity and towing power, and Greater size and visibility of SUV.

C.P. R., and Aravind A.(2018) [26] found that non availability of information on regular basis created many problems inused car market specially in unorganized car market as compared to organized market. The gap in the information further lead to price difference between organised market than in unorganised market. They further concluded that intensity of problems is higher in unorganized market as compared to organized one.

Bhandari J. and Phadtare M.[27] analyzed the factors influence purchase of pre owned cars and find out that that the hedonic benefits of the passenger car have significant impact on customer preference. Further, it was found that functional and social factors also affect preference of used car buyer.

Research Gap

Research gap is find out the information about pre owned cars in authorized and unauthorized dealers for selling the car. Moreover with a small market share in pre-owned car. The researches has been carried out before various cities regarding one to particular segment but not whole moreover hp is the low population state in the country. It offers to small markets and rather

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small area. The lot of researcher only have been done which has covered the hp market regarding pre owned car in automobile sector.

Research Methodology

Research methodology is a way to systematically solve the research problem. It includes the method of data collection, sampling techniques to select the required respondents for the study, selection of statistical tools for analysis etc. The research methodology is defining and redefining problems, collecting, organizing and evaluating data.

For the present study, primary as well as secondary data will use. Secondary date will be collected from magazines, books, newspaper, journals, annual reports, websites etc and primary data will be collected with the help of questionnaire specially designed to used research objectives. The area of study will be four districts of Himachal Pradesh, namely district Mandi, Shimla, Kangra and Hamirpur. These district have been selected on basic large number of hatchback and used cars sale. Multistage random sampling technique will be used for selecting sample. The primary data will be collected with structured questionnaires by personal interview of 400 respondents total. The questionnaire will be divided into three parts, the first part of will contain the socio economic of respondents, second part will collect information regarding factor influencing behaviour of respondents and third part will contain analysis of pre-purchase and post purchases behaviour of respondents. The collected data will be analyzed with the help of statistical tools like mean, standard deviation, co-relation, multiple regression and ANNOVA test.

Need of the study

The literature on consumer behaviour of car buyers has increased immensely after 1991. There are plenty of studies dealing with consumer behaviour, their expectations, experiences of buying a brand new car. Increases in disposable income of Indian consumer has attracted several automobile companies to make cars with better features, safety standards, mileage etc. in the present scenario automobile companies are regularly coming up with new models, new variants, lucrative offers, schemes, exchange bonus etc to influence more and more customers to purchase their cars. Amidst all these factors customers are confused which car to buy, whether to buy it right now or to wait for some time for a new model, or to buy a brand new car or used car etc.

The aspects of customers decision regarding selection of a car has not been discussed in details. Moreover, there are very few studies available on behaviour of customers buying a used car rather than a brand new car. Hence, following research issues need to be examined.

What is the socio economic profile of customers in terms of age, gender, occupation, income, etc. purchasing used car?

What are the reasons for which a customer is buying a used car, rather than buying a brand new car? What are the different priorities among social and economic factors encouraging customers to buy a used car?

What are the factors that influence most customers to purchase a used car? Whom they consult before making their decision to purchase a used car? What are the different sources of information being used by them to find out the authenticity of car they are purchasing?

Are they buying their first car or second car ? What is the most opted financing option exercised by customers?

Which types of retailers are preferred by customers while purchasing a used car? Whether they prefer organized retails like: True Value, First Choice, U Trust etc. or unorganized retailers for purchasing a used car?

What is the level of satisfaction of these customers buying used car? Do they like to recommend the purchase of used cars to their relatives or friends or not? Are they satisfied with the price or services of car they have purchased?

Objectives of study

1. To study pre-purchase behaviour of pre-owned car buyers.
2. To study factors influencing customers to purchase pre-owned cars.
3. To identify factors discourage customers to purchases a brand new car.
4. To find out satisfaction level of pre-owned car buyers.

Expected contributions of the study

The present study is aimed to find out the factor effecting to consumer to make their purchase decision for used cars. The study will enable us to find out emotions and sentiments associated with purchases of a car for an individual situation, under where a customer rather prefer to buy a used car. Ranking of priorities among economic factor, social factor, while used car. The study will enable to find the potential for used car market in rural and urban area of country. Most of these retailer doing use car business are working in unorganized sector facing many challenge from competitors, customers and employees. The study will provide a platform to understand customers behaviour, their preferences, expectations etc while buying a used car.

Thesis outline

Chapter 1: The chapter will give introduction of consumer behaviour towards hatchback car segment.

Chapter 2: The chapter will given the detail analysis the literature review.

Chapter 3: The chapter will given the detail research methodology.

Chapter 4: The chapter will deal with analysis the auto mobile sector.

Chapter 5: The chapter will be contain summary and conclusion the study.

Chapter 6: The chapter will have the detail of implication and limitations of the study.

Research plan Schedule

Research Activity	**Progress in month**												
	1	**3**	**6**	**9**	**12**	**15**	**18**	**21**	**24**	**27**	**30**	**33**	36
Course work	Jan 2018-Dec2018												
Extensive literature survey				Jan 2018-June2019									
Research gap identification and design of methodology					July2019-Dec2019								
Submission of synopsis for proposed research							Jan 2019-July 2019						
Extensive review of literature and data collection								July2019-Dec 2019					
Analysis of data									Jan2020-March 2020				
Manuscript preparation for publication and thesis writing										April2020-Dec2020			
Pre- thesis presentation											Jan2021		
Submission of PH.D thesis											June2021		

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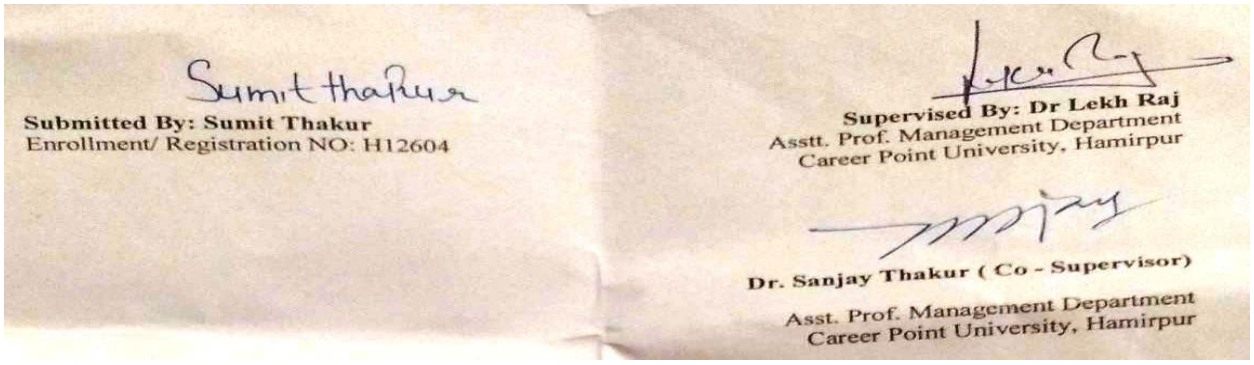
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